

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
GAO	Data Center Consolidation: Agencies Making Progress, but Planned Savings Goals Need to Be Established, GAO-16-323	<p>Report addresses organizational structure, data center duplication and efficiency in consolidation efforts. In 2010, as the focal point for information technology management across the government, OMB's Federal Chief Information Officer launched the Federal Data Center Consolidation Initiative to reduce the growing number of centers. Information technology reform legislation was subsequently enacted in December 2014 that included a series of provisions related to the federal data center consolidation effort, including requiring agencies to report on cost savings and requiring GAO to annually review agency inventories and strategies.</p> <p>GAO's objectives were to (1) review agencies' data center closures to date and plans for further closures, (2) evaluate agencies' progress in achieving consolidation savings and describe plans for future savings, and (3) assess agencies' progress against OMB's data center optimization targets. To do so, GAO assessed agencies' data center inventories, reviewed agency-reported cost savings and avoidance documentation, and compared agencies' data center optimization data as of November 2015 against OMB's established targets.</p>	OEI	<p>GAO Recommendation:</p> <p>To better ensure that federal data center consolidation and optimization efforts improve governmental efficiency and achieve cost savings, we recommend that the Secretaries of the Departments of the Interior, State, Transportation, and the Treasury; the Administrators of the Environmental Protection Agency, National Aeronautics and Space Administration, Small Business Administration; the Directors of the National Science Foundation and the Office of Personnel Management; and the Chairman of the Nuclear Regulatory Commission take action to address challenges in establishing, and to complete, planned data center cost savings and avoidance targets for fiscal years 2016 through 2018.</p> <p>EPA Response:</p> <p>The EPA agrees with the recommendation. The EPA has established a revised and enhanced approach for meeting or exceeding the OMB's established data center cost savings and avoidance targets for fiscal years 2016 through 2018. This revised approach establishes a single data center within each of several specific geographic areas. For each data center selected for retention, necessary upgrades will be made to address any potential capacity or performance issues. Stakeholders will then consolidate applicable data center assets into the cloud, an agency core data center, or applicable agency geographic data center. Surplus data center assets will be decommissioned and excessed or appropriately scaled to be realigned with reduced capacity requirements. Specific plans for each data center slated for consolidation are currently under development. The resulting total cost savings are under assessment and have not yet been determined.</p> <p>GAO Recommendation:</p> <p>We also recommend that the Secretaries of the Departments of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Homeland Security, Housing and Urban Development, the Interior, Labor, State, Transportation, the Treasury and Veterans Affairs; the Attorney General of the United States; the Administrators of the Environmental Protection Agency, General Services Administration and U.S. Agency for International Development, the Director of the Office of Personnel Management; the Chairman of the Nuclear Regulatory Commission; and the Commissioner of the Social Security Administration take action to improve progress in the data center optimization areas that we reported as not meeting OMB's established targets, including addressing any identified challenges.</p> <p>EPA Response:</p> <p>The EPA agrees with the recommendation. To improve the EPA's progress in data center optimization areas that</p>

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
				currently fall short of the OMB's established targets, the EPA stakeholders have been directed to place emphasis on virtualizing physical servers in concert with the revised data center consolidation efforts referenced above. Specific direction has also been given to have stakeholders give primary consideration for moving server-based applications to the cloud or a core data center. These efforts will increase the EPA values for core to non-core operating system, core to non-core physical server ratio, and facility utilization. The estimated increase for each optimization metric will be determined after data center consolidation plans are finalized.
GAO	Government Purchase Cards: Opportunities Exist to Leverage Buying Power, GAO-16-526	<p>Report addresses duplication in purchasing efforts and methods to increase efficiency and achieve cost savings. The purchase card program was designed to streamline relatively small dollar value acquisitions of goods and services. In fiscal year 2015, the government spent approximately \$19 billion using purchase cards.</p> <p>GAO was asked to review whether agencies are effectively leveraging their buying power when using purchase cards. This report assesses the extent to which selected (1) agencies analyze purchase card data to identify opportunities to leverage buying power agency-wide and (2) purchase cardholders seek opportunities to achieve cost savings when using purchase cards.</p> <p>GAO analyzed data from the three banks that work with the six selected agencies—selected in part on varying levels of purchase card spend volume—to manage their purchase card programs. GAO evaluated policies, reviewed strategic sourcing efforts related to purchase cards, and interviewed officials. GAO also interviewed officials</p>	OARM	<p>GAO Recommendation: To ensure that good practices are shared within agencies, we recommend that the Secretaries of Defense, Veterans Affairs, the Interior, Homeland Security, and Energy, and the Environmental Protection Agency develop guidance that encourages local officials to examine purchase card spend patterns to identify opportunities to obtain savings and to share information on such efforts. Where applicable, we further recommend that these agencies determine the feasibility for broader application of these efforts across the agency or organization.</p> <p>EPA Response: As indicated in the report, the EPA's efforts to identify agency-wide spend patterns have achieved positive results in strategic sourcing savings, and opportunities to negotiate better terms and conditions on leveraged vehicles. In August 2015, the EPA implemented an automated purchase card management system, PaymentNet, which enhances the EPA's annual agency-wide spend analyses in support of its strategic sourcing program. The EPA also requires its purchase cardholders to use strategically sourced vehicles as set forth in the EPA's enclosed February 2016 policy "Requirements for Use of Strategic Sourcing Contract Vehicles." The EPA welcomes the opportunity to benchmark with other agencies and share the methodology and approaches undertaken to identify opportunities which lead to the positive outcomes identified in the report.</p>

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
		from the General Services Administration who manage the government's purchase card contracts, and interviewed selected cardholders at the two agencies with the highest purchase card spend.		
GAO	IT DASHBOARD: Agencies Need to Fully Consider Risks When Rating Their Major Investments, GAO-16-494	<p>Report addresses organizational structure in regard to the IT Portfolio and related risks in costs and in addressing agency and mission needs through IT investments. Although the government spends more than \$80 billion in information technology (IT) annually, many of the investments have failed or have been troubled. In December 2014, provisions commonly referred to as the Federal Information Technology Acquisition Reform Act (FITARA) were enacted. Among other things, FITARA states that OMB shall make available to the public a list of each major IT investment including data on cost, schedule, and performance. OMB does so via the Federal IT Dashboard—its public website that reports on major IT investments, including ratings from CIOs which should reflect the level of risk facing an investment.</p> <p>GAO's objectives were to (1) describe agencies' processes for determining CIO risk ratings for major federal IT investments primarily in development and (2) assess the risk of federal IT investments and analyze any differences with the investments' CIO risk ratings. To do so, GAO selected major IT investments with at least</p>	OEI	<p>GAO Recommendation: To better ensure that the Dashboard ratings more accurately reflect risk, the Secretaries of the Departments of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Homeland Security, State, Transportation, the Treasury, Veterans Affairs; the Administrator of the Environmental Protection Agency; and the Commissioner of the Social Security Administration should direct their CIOs to ensure that their CIO ratings reflect the level of risk facing an investment relative to that investment's ability to accomplish its goals.</p> <p>EPA Response: As stated in the EPA's response to the GAO's Draft Report, while the EPA agrees all agency CIOs should "ensure that their CIO ratings reflect the level of risk facing an investment relative to that investment's ability to accomplish its goals," the recommendation, in citing only specific agencies, seems to indicate the EPA does not consider an investment's ability to accomplish its goals as part of its CIO rating.</p> <p>Appendix II of the Final Report, like the Draft Report, provides a limited set of criteria used by the EPA to determine the CIO rating. The criteria includes the statement "... factors that are important to forecasting future success." As before stated, it should be clear from this statement that EPA does consider an investment's ability to accomplish its goals as part of the CIO rating.</p> <p>During the GAO engagement, the EPA provided the GAO with the narrative which goes out monthly with our IT Dashboard update request to investment owners. In addition, the EPA provided the GAO the criteria which our Senior Information Officers use in establishing their recommended CIO rating for investments. In the EPA's response to the Draft Report, we provided both the narrative and the criteria in our response and showed that risks are considered.</p> <p>The EPA recognizes that there is a disagreement with the eManifest CIO Risk Rating on April 2015; however, that does not mean that the EPA does not consider risks in the designation as reflected in the GAO's ranking in Table 7. The EPA believes it should not be included in the list of agencies that do not consider an investment's ability to accomplish its goals when setting a CIO rating since this is a critical factor in the EPA CIO ratings.</p> <p>Lastly, the GAO gave the EPA an "A" on the related criteria on the FITARA dashboard. If the GAO gave the EPA an "A" in</p>

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
		80 percent of their fiscal year 2015 budget allocated to development (resulting in 95 investments across 15 agencies) and compared CIO rating processes to OMB guidance. GAO also analyzed data on those investments to create its own risk assessments.		that instance, it seems inconsistent for the GAO to then contend that the EPA is not considering risk as a factor.
GAO	Federal Information Security Officers: Opportunities Exist to Improve Roles and Address Challenges to Authority. GAO-16-686	Report addresses role of CISO in assuring organizational approach to cyber security. Federal agencies face an ever-increasing array of cyber threats to their information systems and information. To address these threats, FISMA 2014 requires agencies to designate a CISO—a key position in agency efforts to manage information security risks.  GAO was asked to review current CISO authorities. This report identifies (1) the key responsibilities of federal CISOs established by federal law and guidance and the extent to which federal agencies have defined the role of the CISO in accordance with law and guidance and (2) key challenges of federal CISOs in fulfilling their responsibilities. GAO reviewed agency security policies, administered a survey to 24 CISOs, interviewed current CISOs, and spoke with officials from OMB.	OEI	GAO Recommendation: To ensure that the role of the senior agency information security officer (SAISO) is defined in agency policy in accordance with FISMA 2014, we recommend that the Administrator of the Environmental Protection Agency take the following three actions: <ul style="list-style-type: none"> <li>• Define the SAISO’s role in agency policy for ensuring that subordinate security plans are documented for the department’s information systems.</li> <li>• Define the SAISO’s role in agency policy for ensuring that plans and procedures are in place to ensure recovery and continued operations of the department’s information systems in the event of a disruption.</li> <li>• Define the SAISO’s role in agency policy in the periodic authorization of the department’s information systems.</li> </ul> EPA Response: As the GAO noted, in the EPA’s July 14, 2016 response to the Draft Report, the EPA agreed with the recommendations and planned to implement them. The role of the senior agency information security officer is defined in the enclosed agency Information Security – Security Assessment and Authorization Procedures, dated May 27, 2016. The procedures cover the SAISO’s role in the assessment and authorization process, which includes periodic authorizations, contingency planning and subordinate security plans.
GAO	Grants Management: EPA Could Improve Certain Monitoring Practices, GAO-16-530	Report addresses efficiency and costs savings from grant monitoring. Grants comprised about half of EPA’s budget in 2015, or about \$4 billion. Through several grant programs, EPA headquarters and 10 regional offices award these grants to a variety of recipients, including	OARM	Recommendation: The EPA Administrator should direct the Office of Grants and Debarment (OGD) and program and regional offices, as appropriate, as part of EPA’s ongoing streamlining initiatives and the development of a grantee portal, to incorporate expanded search capability features, such as keyword searches, into its proposed web-based portal for collecting and accessing performance reports to improve their accessibility.  The EPA agrees with this recommendation. The agency’s vision for grants management includes having grant recipients submit performance reports and other

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
		<p>state and local governments. EPA provides guidance through directives that seek to ensure the appropriate use of funds and achievement of environmental results or public health protection, among other purposes. GAO was asked to review how EPA monitors environmental and other grant results. This report examines (1) how EPA awards grants, (2) the federal and EPA requirements for monitoring grant and program results, and (3) how EPA monitors its grants to ensure that environmental and other program results are achieved. GAO analyzed relevant federal laws, regulations, and EPA guidance; reviewed processes for ensuring that environmental results are achieved for the three EPA program offices that award the majority of EPA grant dollars; and interviewed EPA officials and officials from eight state environmental agencies—selected based on the amount of environmental funding they receive from EPA.</p>		<p>information to the agency through a web-based portal. The portal would incorporate capabilities such as key word searches to allow for easier access to performance report information. However, the portal is a long-term initiative, subject to the agency's budget process, and dependent on the completion of the Next Generation Grants System, which the EPA expects to fully deploy in Fiscal Year 2018.</p> <p>Recommendation: The EPA Administrator should direct OGD and program and regional offices, as appropriate, as part of EPA's ongoing streamlining initiatives and the development of a grantee portal, to identify grant programs where existing program-specific data reporting can meet EPA's performance reporting requirements for grants management purposes to reduce duplicative reporting by grantees.</p> <p>The EPA generally agrees with this recommendation and will work with recipient partners to identify where duplicative reporting can be reduced. It is important to note, however, that program-specific data cannot be relied upon to meet all grants management requirements. Performance reports often contain other information that allows the EPA's Project Officers to monitor a recipient's progress in meeting work plan commitments. This information cannot be gleaned from output data entered into program-specific tracking systems. An additional challenge is that not all POs have access to program-specific databases. This will require the EPA to consider the feasibility of expanding PO access to those databases to enhance grant performance monitoring. We anticipate completing the process for identifying where duplicative reporting can be reduced by the end of FY 2017.</p> <p>Recommendation: The EPA Administrator should direct OGD and program and regional offices, as appropriate, as part of EPA's ongoing streamlining initiatives and the development of a grantee portal, once EPA's new performance system is in place, to ensure that the Office of Water adopts software tools, as appropriate, to electronically transfer relevant data on program results from program-specific databases to EPA's national performance system.</p> <p>The EPA generally agrees with this recommendation and will apply it, where appropriate and cost-effective, to program-specific databases, not only the Office of Water databases. Not all data from program-specific databases may be appropriate for direct electronic transfer to the national performance system; some individual grant data may need to be analyzed before being rolled up into national data. Implementation of this recommendation will depend upon the agency's program offices modifying their databases to interface with the new performance system. In addition, implementation of this recommendation is dependent upon completion of the agency's new performance system, currently under development; anticipated deployment is in 2017.</p>

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
				<p>Recommendation: The EPA Administrator should direct OGD and program and regional offices, as appropriate, as part of EPA's ongoing streamlining initiatives and the development of a grantee portal, to clarify the factors project officers should consider when determining whether performance reports are consistent with EPA's environmental results directive.</p> <p>The EPA agrees with this recommendation. The EPA will make conforming changes to the implementation guidance for the Environmental Results Order (Directive) in FY 2017.</p> <p>Recommendation: The EPA Administrator should direct OGD and program and regional offices, as appropriate, as part of EPA's ongoing streamlining initiatives and the development of a grantee portal, to expand aspects of EPA's policy for certain categorical grants, specifically, the call for an explicit reference to the planned results in grantees' work plans and their projected time frames for completion, to all grants.</p> <p>The EPA agrees with this recommendation. The EPA will make conforming changes to existing policy in FY 2017.</p> <p>Recommendation: The EPA Administrator should direct OGD and program and regional offices, as appropriate, as part of EPA's ongoing streamlining initiatives and the development of a grantee portal, to incorporate built-in data quality controls for performance reports into the planned web-based portal based on EPA's environmental results directive.</p> <p>The EPA generally agrees with this recommendation but emphasizes that identifying and deploying appropriate data quality controls is a long-term effort subject to budgetary considerations, completion of the Next Generation Grants System, and extensive collaboration with internal and external stakeholders. Specifically, the report's vision for built-in data quality controls involves the use of electronic templates and reduced reliance on manual data entry. Full achievement of that vision would require standardized work plan and performance report formats subject to clearance by the Office of Management and Budget under the Paperwork Reduction Act.</p> <p>The EPA appreciates the report's clarification that the GAO is not recommending that the agency repeat its earlier efforts to standardize performance measures across recipient work plans. However, as described in the agency's response to the draft report, this recommendation raises implementation challenges. The EPA's grant recipients generally have not supported standardizing the format of work plan and progress reports, with many large recipients, such as states, having their own institutionalized formats. Additionally, under its 2009-2013 Grants Management Plan, the EPA considered the use of standardized performance report formats but decided not to require them due to program office concerns that such formats would not meet program-specific needs.</p>

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
				Accordingly, as a first step in implementing this recommendation, the EPA will seek feedback from the recipient and program office community. The agency will initiate that process in FY 2017.
GAO	Information Technology: Agencies Need to Improve Their Application Inventories to Achieve Additional Savings, GAO-16-511	Report addresses organizations application inventory to avoid duplication and achieve costs savings. The federal government is expected to spend more than \$90 billion on IT in fiscal year 2017. This includes a variety of software applications supporting agencies' enterprise needs. Since 2013, OMB has advocated the use of application rationalization. This is a process by which an agency streamlines its portfolio of software applications with the goal of improving efficiency, reducing complexity and redundancy, and lowering the cost of ownership. GAO's objectives were to determine (1) whether agencies have established complete application inventories and (2) to what extent selected agencies have developed and implemented processes for rationalizing their portfolio of applications. To do this, GAO assessed the inventories of the 24 CFO Act agencies against four key practices and selected six agencies—the Departments of Defense, Homeland Security, the Interior, Labor, and NASA and NSF—due to their IT spending, among other factors, to determine whether they had processes addressing applications.	OEI	<p>GAO Recommendation: To improve federal agencies' efforts to rationalize their portfolio of applications, the heads of the Departments of Agriculture, Commerce, Education, Energy, Health and Human Services, Housing and Urban Development, the Interior, Labor, State, Transportation, the Treasury, and Veterans Affairs; and heads of the Environmental Protection Agency; National Aeronautics and Space Administration; National Science Foundation; Nuclear Regulatory Commission; Office of Personnel Management; Small Business Administration; Social Security Administration; and U.S. Agency for International Development should direct their Chief Information Officers (CIOs) and other responsible officials to improve their inventories by taking steps to fully address the practices we identified as being partially met or not met.</p> <p>EPA Response: As in the Draft Report, overall, the EPA agrees with the recommendation. Both the GAO's Draft and Final Reports cite that the EPA only "partially met the practice for including application attributes in the inventory because... it does not identify the business function for every application".</p> <p>In the EPA response to the Draft Report, the agency asked the GAO to add clarifying language in the Final Report to provide the full context of the EPA's practices. The GAO added language that clarifies that the agency is taking steps to populate the business function associated with all applications. That clarifying language more accurately reflects the EPA's current inventory practices.</p>
GAO	Grants Management: EPA Has Taken Steps to Improve Competition for	Report addresses organizations approach to managing discretionary grants to avoid	OARM	<p>GAO Recommendations</p> <p>Recommendation 1: To improve the quality of the EPA's internal records and the information the EPA can</p>

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
	Discretionary Grants but Could Make Information More Readily Available, GAO-17-161	<p>duplication and efficient use of grant awards. EPA annually awards hundreds of discretionary grants, totaling about \$500 million. EPA has the discretion to determine grantees and amounts for these grants, which fund a range of activities, from environmental research to wetlands restoration. EPA awards and manages discretionary grants at 10 headquarters program offices and 10 regional offices. Past reviews by GAO and EPA's Inspector General found that EPA has faced challenges managing such grants, including procuring insufficient competition for them and providing incomplete public information about them. GAO was asked to review EPA's management of discretionary grants. This report examines (1) how EPA manages competition for discretionary grants, (2) how much in discretionary grants EPA provided from fiscal years 2013 through 2015 and to what types of grantees, and (3) the information EPA makes publicly available on discretionary grants. GAO reviewed EPA's competition policy and guidance, examined internal evaluations of grant applications for competitions that were selected partly because they accounted for large portions of discretionary grant dollars, analyzed EPA data as well as information EPA made available on public websites, and interviewed EPA officials.</p>		<p>communicate to internal and external decision makers, the EPA Administrator should direct the Assistant Administrator for the Office of Administration and Resources Management to direct the Director of OGD to provide clear guidance to the EPA staff to help ensure that staff correctly identify all the EPA discretionary grant programs in the agency's internal grants management system.</p> <p>Agency Affected: Environmental Protection Agency</p> <p>The agency agrees with this recommendation. The Office of Grants and Debarment has already taken actions including developing, in coordination with EPA program offices and the Office of General Counsel, a list of active discretionary grant programs and posting it on the EPA intranet and internet to ensure dissemination to EPA staff and public transparency. As new programs are developed, the EPA will determine if they are discretionary or not and add them to the list as appropriate. The EPA has also added a statement in section 070 of its Catalog of Federal Domestic Assistance program descriptions on whether the program makes awards on a discretionary basis. In addition, the EPA intends to be involved in any General Services Administration efforts in 2017 to improve CFDA descriptions which may include changes to CFDA template language that could improve discretionary grant designations. Further, the EPA, in 2017, will assess whether other actions are necessary to help staff better identify discretionary grant programs in its internal grant management systems including staff training and reconciling any inconsistencies in defining discretionary grants.</p> <p>The EPA has no plans to coordinate/collaborate with other agencies other than with GSA in any efforts to improve CFDA descriptions.</p> <p>Recommendation 2: To better enable Congress and other decision makers to monitor the EPA's management of discretionary grants, the EPA Administrator should direct the Assistant Administrator for the Office of Administration and Resources Management to direct the Director of OGD to determine how to make more complete information on the EPA's discretionary grants publicly available, such as by posting timely and complete reports on its website.</p> <p>Agency Affected: Environmental Protection Agency</p> <p>The agency agrees with this recommendation. In 2017, OGD will begin the process to examine whether and how it can use its internal Next Generation Grants System to generate more timely and complete reports related to discretionary grants and make them publicly available. Two areas that the EPA will explore in 2017 are the ability to use NGGS to: (1) generate more timely and complete information that can be publicly posted related to the number of applications received (and from what types of entities) for the agency's open competitive opportunities and (2) produce an annual report on the amount of funds per discretionary grant</p>

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
				<p>program and whether they were for new awards or amendments.</p> <p>The EPA has no plans to coordinate/collaborate with other agencies.</p>
OIG	Report: EPA's Purchase Order Process Needs to Improve and Achieve Better Value, Report #17-P-0001, October 13, 2016	<p>Report addresses efficiency and cost savings. EPA purchase order procedures were not implemented in accordance with the Federal Acquisition Regulation (FAR) or the EPA Acquisition Regulation (EPAAR). In fiscal year 2015, up to 1,714 purchases could have been made with purchase cards, as opposed to purchase orders, to achieve cost savings through the maximum use of purchase cards as required by the FAR. In addition, the EPA's acquisition system did not always provide descriptions for supplies and services purchased as required by the Office of Management and Budget Circular A-123, the FAR, and General Services Administration criteria. These conditions occurred due to inadequate policies, procedures and training. As a result, competition, fairness and other economic opportunities may have been precluded. Also, the EPA is not realizing potential savings based on its current purchase card practices due to forfeited refunds, point-of-sale discounts, and reduced administrative costs.</p>	OARM	<p>The OIG recommended that the Assistant Administrator for Administration and Resources Management require the EPA to update its policy, procedures and checklists to cover applicable FAR and EPAAR requirements; require acquisition and program personnel to be trained; and promote greater use of purchase cards.</p> <p>The EPA provided alternative corrective actions for Recommendations 4 through 7, with a completion date of March 2017 for Recommendations 4 and 6, and a completion date of December 2016 for Recommendation 5. We believe the alternative corrective actions meet the intent of the original recommendations. Recommendations 4, 5, and 6 are considered open pending completion of proposed corrective actions. The EPA did not provide a completion date for Recommendation 7. Recommendation 7 is considered unresolved. The following is a summary of the agency's responses and our evaluation:</p> <p>Recommendations 4 and 6. For both of these recommendations, the EPA's initial response did not completely address the intent of the recommendation. However, on September 12, 2016, the EPA provided an acceptable corrective action. The EPA will develop a SAP checklist that will require users to indicate whether using a purchase card was considered and the reason why the purchase card was not used. We believe the alternative corrective action meets the intent of our recommendations.</p> <p>Recommendation 5. The EPA's initial response indicated that it disagreed with Recommendation 5. However, on September 12, 2016, the EPA provided an acceptable alternative corrective action with a completion date of December 2016. The EPA agreed to publish a "Flash Notice," which reiterates EPAAG 13.3.1.8 and 13.3.1.9, and advises COs that they may use purchase cards to place orders or make payments. We believe the alternative corrective action meets the intent of our recommendation.</p> <p>Recommendations 7. The EPA's initial response indicated that it disagreed with Recommendation 7. However, on September 12, 2016, the EPA provided an acceptable corrective action that we believe meets the intent of our recommendation. The EPA indicated that each OAM division will have at least one purchase cardholder per service center. However, the EPA did not provide a completion date for this alternative corrective action.</p> <p>The EPA concurred with Recommendations 8 through 10, and provided a completion date of April 2016 for Recommendations 8 and 9, and July 2016 for 17-P-0001 18</p>

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
				<p>Recommendation 10. For Recommendations 8 and 9, the EPA implemented guidance to provide a complete description of supplies and services used to feed FPDS-NG and CDW. For Recommendation 10, OAM agreed with our recommendation and provided training to its divisions and the regions, which included information on the “description of requirement field.”</p> <p>OAM also stated it would continue the activities of an annual Independent Verification and Validation Review and peer reviews to periodically check for accuracy and completeness of the description of requirement fields. These three recommendations are considered closed.</p>
OIG	<p>Report: Enhanced Controls Needed to Prevent Further Abuse of Religious Compensatory Time</p> <p>Report #16-P-0333, September 27, 2016</p>	<p>Report focuses on organizational policy and cost savings with enhanced controls. Based on our analysis, time and attendance records support that the retired OCSPP employee earned the accumulated Religious Compensatory Time hours. However, we identified concerns with the EPA’s internal controls that allowed the excessive accumulation of Religious Compensatory hours by agency employees, and the OCSPP employee received a payout of \$32,469 for unused Religious Compensatory Time upon retirement. EPA policy and procedures on accumulation and use of Religious Compensatory Time meet the requirements of federal laws and regulations, but are not specific enough to prevent abuse. The agency’s controls do not enforce the requirement for employees to link the earning of Religious Compensatory Time to specific religious observances. The EPA lacks detailed controls covering the accumulation, use and monitoring of Religious Compensatory Time, resulting in practices</p>	OARM & OEI	<p>We recommend that the Assistant Administrator for Administration and Resources Management enhance internal controls over Religious Compensatory Time by revising its policies and procedures, requiring documentation of intended use plans, prohibiting the earning of additional religious compensatory hours in excess of the maximum established balance, and developing training on proper use of Religious Compensatory Time. Further we recommend that the Chief Financial Officer modify the EPA’s payroll and time and attendance system to prevent employees from accumulating excessive Religious Compensatory Time.</p> <p>The Office of Administration and Resources Management concurred with Recommendations 1 through 3, and provided proposed corrective actions. When implemented, we believe the proposed actions will meet the intent of our recommendations. The recommendations will remain open with corrective actions pending.</p> <p>The Office of the Chief Financial Officer concurred in principle with Recommendation 4, and indicated it intends to coordinate with the agency’s payroll provider on the feasibility of modifying the payroll system. The Office of the Chief Financial Officer indicated it will submit a change request to the provider for review and approval. Once payroll changes are determined feasible, the Office of the Chief Financial Officer indicated it will make the necessary changes to the time and attendance system. The Office of the Chief Financial Officer’s proposed corrective actions do not fully meet the intent of the recommendation, because they do not indicate what actions will be taken if the payroll system changes are not feasible. Further, an estimated completion date was not provided. Therefore, Recommendation 4 is unresolved.</p>

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
		<p>being noncompliant with the intent of federal law and regulations, and not being consistent with U.S. Office of Personnel Management best practices.</p> <p>Inadequate controls allowed several agency employees to maintain significant positive Religious Compensatory Time balances for extended periods of time without intended use plans. Also, significant negative balances were retained without a plan to repay the hours. The agency has not provided staff with training or established adequate guidance to effectively manage and monitor Religious Compensatory Time. As a result, in addition to the OCSPP employee, the EPA paid 13 other employees \$41,045 for unused Religious Compensatory Time upon separation. Further, if no action is taken to reduce additional employees' high balances, future payments totaling up to \$81,927 could be made.</p>		
OIG	<p>Report: EPA Oversight of Travel Cards Needs to Improve</p> <p>Report #16-P-0282, August 24, 2016</p>	<p>This report addresses organizational control over travel card program and potential savings. The EPA does not check travel card bank rebates for accuracy. As a result, the agency does not know whether travel card rebates received from the bank are accurate. The EPA did not comply with the legal requirement to return rebates to each appropriation proportionally or to the U.S. Treasury (an option when rebates are not applied proportionally).</p>	OCFO	<p>We recommend that the EPA's Office of the Chief Financial Officer (OCFO) institute a process to verify the accuracy of travel card rebates, and establish and implement policies and procedures to correctly distribute travel card rebates. We also recommend that OCFO develop controls and a timeline for addressing late vouchers, revise the travel card policy to institute stronger controls, and modify Concur so that lodging and rental car expenses can only result in a bank card payment. In addition, we recommend that the OCFO require travel cardholders to complete training that covers the importance of split payments, timely payments, and the consequences of failure to comply.</p> <p>The EPA agreed with Recommendation 1 and provided corrective actions that meet the intent of the recommendation. The EPA will verify the bank refund with the agency's calculation and spending. The new procedure became effective with third quarter FY 2016 rebates. The agency has completed a portion of the corrective actions.</p>

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
		<p>Instead, the agency selectively returned travel rebates to only a portion of EPA appropriations within a travel reserve account. As a result, rebates totaling \$240,375 in fiscal year 2014 and \$283,789 in fiscal year 2015 were incorrectly returned to only four of 11 EPA appropriations. EPA oversight does not maximize sales and productivity-based rebates. The agency's Cincinnati Finance Center does not emphasize that supervisors should hold late-paying travel cardholders responsible, require maximum use of the travel card for official government expenses, or require that all expenses charged on the card are paid directly to the bank. These practices may result in more delinquent accounts and fewer bank rebate dollars.</p>		<p>Recommendation 1 is open pending completion of the corrective actions.</p> <p>The EPA agreed with Recommendation 2 and completed a portion of the corrective actions in May 2016. In response to Recommendation 2, the EPA updated its Travel Rebate Standard Operating Procedures to require funds to be distributed to the original appropriations. The updated procedures describe how the EPA will distribute the rebates across appropriations based on the proration of travel obligations. According to the agency, this method of distribution will be retroactively applied to the beginning of FY 2016.</p> <p>The agency completed a portion of the corrective actions for Recommendation 2. This recommendation is open pending completion of the remaining corrective actions.</p> <p>The EPA agreed with Recommendations 3 through 6, and provided planned corrective actions with milestone dates. A summary of the agency's responses include the following:</p> <p>Recommendation 3. The EPA's initial response to Recommendation 3 did not completely address the intent of the recommendation. However, on July 12, 2016, the EPA provided an acceptable corrective action. The EPA will revise its travel card policy to require Senior Resource Officials and supervisors to utilize the Executive Resource Center Unpaid Travel Authorization tool to monitor timely voucher submissions.</p> <p>Recommendation 4. The EPA will revise travel card policy to institute stronger controls that include timely travel card payments, adverse actions for late payments, and the requirement to use the travel card for all travel expenses.</p> <p>Recommendation 5. The EPA will set Concur to default payments for hotel and rental car to the government credit card. The traveler will not be able to change the default payment.</p> <p>Recommendation 6. The EPA will require cardholders to complete GSA travel card training. The agency will also update its travel policy to cover the importance of split payments; timely payments; and the consequences of failure to comply, so that disciplinary action can be taken against late-paying cardholders. Once the travel card policy is updated, the EPA will notify the travel community by email, web posting and webinar; and through training sessions.</p> <p>The planned corrective actions meet the intent of Recommendations 3 through 6. Recommendations 3 through 6 are open with corrective actions pending.</p>
OIG	Report: EPA Needs to Improve Oversight of Its Transit Subsidy Benefits Program	This report addresses organization management of transit subsidy program and cost savings. The EPA	OARM	We recommend that the agency provide oversight to regions and field offices to enforce compliance with OMB's 10 minimum internal control policies. Also, the Assistant Administrator for Administration and Resources

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
	Report #16-P-0268, August 16, 2016	operates a transit subsidy benefits Weak internal controls program for its employees covering 13 separate made EPA transit locations. Most of the locations did not comply with subsidies of about \$10 million vulnerable all of the Office of Management and Budget's to potential abuse. We (OMB's) 10 minimum internal control requirements.		<p>Management should implement internal controls for transit processors. In addition, Region 6 should update its transit policy, Region 9 should allow its employees to use only one transit payment system, and Region 10 should perform a commuting cost analysis to determine the most cost-beneficial fare options.</p> <p>The agency concurred with Recommendations 1 and 2 and provided estimated completion dates of not later than December 31, 2016, for both recommendations. For Recommendation 1, the agency stated, "The agency will develop a transit subsidy policy covering all locations offering transit subsidy." For Recommendation 2, the agency stated, "The agency will require senior resource officials to certify annually that the 10 minimum controls are implemented." The OIG concurs with the agency's proposed actions and, when implemented, the corrective actions will satisfy the intent of Recommendations 1 and 2. These two recommendations will remain open pending completion of the proposed corrective actions.</p> <p>The agency concurred with Recommendations 3 and 4. For Recommendation 3, OARM stated, "The Headquarters will assess the current Headquarters separation check sheet and identify opportunities to strengthen controls." OARM provided an estimated completion date of no later than December 31, 2016. The OIG concurs with the agency's proposed actions and, when implemented, the corrective actions will satisfy the intent of Recommendation 3. This recommendation will remain open pending completion of the proposed corrective action.</p> <p>As of July 19, 2016, OARM had completed corrective actions for Recommendation 4. OARM stated that the Facilities Management and Services Division "has received the monthly separation report from OHR, and has confirmed the separated employees have been removed from the HQ transit subsidy program." The OIG concurs with the agency's new practice, and it satisfies the intent of Recommendation 4. Recommendation 4 is complete and thus closed.</p> <p>The agency concurred with Recommendation 5. For Recommendation 5, Region 6 stated, "The Region 6 will, upon receipt of the agency transit policy, develop and implement corresponding procedures." Region 6 provided an estimated completion date of no later than March 31, 2017. The OIG concurs with the agency's proposed actions and, when implemented, the corrective actions will satisfy the intent of Recommendation 5. This recommendation will remain open pending completion of the proposed corrective action.</p> <p>The agency concurred with Recommendations 6 through 8. As of June 28, 2016, Region 9 has completed corrective actions for Recommendation 6. Region 9 stated that it has completed an analysis and has selected one transit payment system (card program administered by the Cincinnati</p>

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
				<p>Finance Center). This system is to be implemented by December 31, 2016. Recommendation 6 is thus closed. For Recommendation 7, the agency stated: The region completed an analysis in December 2014 covering the best option for providing a transit program to the Region 9 employees. The Region 9 Headquarters will coordinate with employees and local bargaining units to implement the change. Furthermore, the Region 9 will evaluate alternative approaches for other Region 9 locations. Region 9 provided an estimated completion date of no later than December 31, 2016.</p> <p>For Recommendation 8, the agency stated: The region will ensure that whichever transit payment system it chooses as described in response to recommendation seven will have appropriate internal controls consistent with the Office of Management and Budget and the Internal Revenue Service guidance. Region 9 provided an estimated completion date of no later than December 31, 2016.</p> <p>The OIG concurs with the agency's proposed actions and, when implemented, the corrective actions will satisfy the intent of Recommendations 6 through 8. These recommendations will remain open pending completion of the proposed corrective actions.</p> <p>The Regional Administrator, Region 10, concurred with Recommendations 9 and 10. As of July 8, 2016, Region 10 has completed corrective actions for both recommendations.</p> <p>For Recommendation 9, Region 10 stated it has: Determined that DOT Transerve Debit Card program (also used by Region 3) is our best choice. The available debit card programs operate in very similar ways and have very similar cost profiles.</p> <p>For Recommendation 10, Region 10 stated that: The current agreement with DOT will expire at the end of the current fiscal year. We expect to have the new agreement in place effective Oct. 1, 2016.... [O]ur shift to a debit card program implements this recommendation or alternatively renders it moot.</p>
OIG	<p>Report: EPA Should Timely Deobligate Unneeded Contract, Purchase and Miscellaneous Funds</p> <p>Report #16-P-0135, April 11, 2016</p>	Report addresses organizations management of contract, purchase and miscellaneous deobligation requirements and cost savings The EPA did not deobligate \$583,875 from contract, purchase and miscellaneous obligations that had no activity in the last 18 months. Further, we estimated there could be an additional \$2,962,058 that could be deobligated.	OCFO	<p>During the course of our audit, the agency deobligated \$259,065 of the \$583,875 in unliquidated obligations that we cited. We recommend that the agency deobligate the remaining \$324,810, and review any obligations that have not had activity in the last 18 months to see if any of the additional \$2,962,058 noted can be deobligated. We also recommend that the agency instruct personnel to annually use the unliquidated obligations desktop tool to timely identify and deobligate unneeded funds.</p> <p>The agency concurred with and provided acceptable corrective milestone completion dates for all recommendations. The agency deobligated \$67,190 of the \$324,810 in unliquidated obligations that were identified for deobligations. The agency plans on deobligating the remaining \$257,620 in April 2016. Also, the agency implemented a new on-line unliquidated obligations database system to streamline and improve the agency's</p>

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
		<p>EPA guidance requires deobligating inactive obligations without any activity for 6 months or more. Further, federal and agency guidance requires unliquidated obligations to be reviewed at least annually. However, EPA personnel did not adequately review or monitor outstanding obligations to ensure amounts remaining were valid. Consequently, the EPA was unable to reprogram unneeded funds to other environmental activities that could result in benefits for human health and the environment.</p>		<p>unliquidated obligations review process, and the Office of the Chief Financial Officer will provide training to Project Officers, Contracting Officers and Funds Control Officers on the unliquidated obligations desktop tool.</p> <p>OCFO and OARM concurred with Recommendations 1 through 3.</p> <p>For Recommendation 1, OCFO and OARM stated: EPA will re-examine remaining funds for potential de-obligation identified under Table 1 of the subject audit report, and disposition with the appropriate actions based upon that review. Monies under contract COS902300059 (Table 1) have been de-obligated. Contracts W0707404013 and EP11H000785 are HQ [Headquarter] contracts and will be dispositioned by April 29, 2016. Contracts W0600400011 and W0600400012 are Region 6 vehicles and must be dispositioned by Region 6. OAM [Office of Acquisition Management] will advise Region 6 of the need to disposition these items.</p> <p>OCFO and OARM provided a milestone completion date of April 29, 2016. The OIG concurs with the agency's proposed actions, and, when implemented, the corrective actions will satisfy the intent of Recommendation 1. This recommendation will remain open pending completion of the proposed corrective action.</p> <p>For Recommendation 2, OCFO and OARM stated: During the OIG's audit activities, EPA implemented a new on-line ULO database system in June 2015. This new system was a product of the FY [fiscal year] 2014 OCFO-chaired Lean Government exercise to streamline and improve the agency's ULO review process. Under the Lean review process conducted in the new system, ULOs under all EPA contracts approximated \$1.052B as of early June 2015. As of September 30, 2015, this balance was reduced to approximately \$120.9M - a decrease of approximately 89%. Accordingly, EPA considers ULO reviews to be completed until the next review cycle. OCFO initiated the annual ULO review cycle in February 2016. Reviews of current ULOs are conducted during the annual review process.</p> <p>OCFO and OARM provided a completion date of September 30, 2015. The OIG concurs with the agency's corrective actions and that they have met the intent of Recommendation 2. This recommendation is closed.</p> <p>For Recommendation 3, OCFO and OARM stated: In FY [fiscal year] 2016, OCFO will provide training to POs [Project Officers], COs [Contracting Officers], and FCOs [Funds Control Officers] on the ULO desktop tool. In addition, OCFO established a ULO SharePoint site with a number of resources, including ULO review statistics by office and region to help in the ULO review process.</p> <p>OCFO and OARM provided a milestone completion date of June 30, 2016. The OIG concurs with the agency's proposed actions, and, when implemented, the corrective actions will satisfy the intent of Recommendation 3. This recommendation will remain open pending completion of the proposed corrective action.</p>
OIG	Report: EPA's Tracking and Reporting of Its	The report addresses the organizations	OCFO	We recommend that the Office of the Chief Financial Officer (OCFO) provide additional guidance or training on how to

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
	Conference Costs Need Improvement  Report #16-P-0081, January 7, 2016	management of conference spending and cost savings. The EPA established internal controls to report conferences both publicly and to the OIG as required by M-12-12 and Public Law 113-76. However, we found improvements are needed.		<p>identify unallowable conference costs, use correct conference project codes, identify all conference costs in the financial system, report all conference costs paid with EPA funds, and classify conferences properly. We also recommend that OCFO work with program offices to identify EPA Form 5170A cost reporting issues and revise the form as needed.</p> <p>The EPA agreed with the recommendation and provided planned corrective actions with milestone dates. In response to Recommendation 3, the EPA included four corrective actions. These corrective actions include:</p> <ul style="list-style-type: none"> <li>☑ Implementing a process/policy to ensure that procurements will utilize conference project codes.</li> <li>☑ Working with the Funds Control Officer community to ensure travelers use the correct conference code on vouchers.</li> <li>☑ Emphasizing the need to identify all costs in the financial system.</li> <li>☑ Implementing enhancements to facilitate the reporting of all conference costs. (Completed May 2015)</li> </ul> <p>When all of these corrective actions are implemented, they should address Recommendation 3.</p> <p>The EPA agreed with the recommendation and provided a planned corrective action with a milestone date. The EPA has agreed to revise the sponsor definition in the EPA's <i>Conference Spending Guide</i> to provide more specificity and clarity. When implemented, the corrective actions should address Recommendation 4.</p> <p>The EPA did not agree with the OIG's interpretation that the agency was a sponsor for WEFTEC in 2014. The EPA stated that it was not a sponsor of the WEFTEC conference because the EPA did not provide funding and was not shown in the sponsor section of WEFTEC materials. The OIG stands by its interpretation that EPA was a sponsor based on OCFO's conference spending guide definition. The definition states that the EPA is a sponsor of an event if the agency provided funding or tangible support to a conference or appeared as a sponsor on any event materials, and tangible support is the provision of financial assistance, material goods or services. The EPA participated in WEFTEC's 11 Technology Innovation Blueprint sessions and the program noted that "EPA and WEF are convening working sessions throughout WEFTEC." We note that the EPA had direct involvement in the development of those sessions and provided technical expertise. Therefore, the EPA was a sponsor by its own definition.</p>
OIG	Report: EPA's 2014 Early-Out and Buyout Activities Aided Workforce Restructuring Goals, and Continued Monitoring of	This report addresses the organization's use of various efforts to manage and address workforce issues. The EPA used its VERA-VSIP authority to buy out employees in	OARM	<p>We made two recommendations to the Assistant Administrator for Administration and Resources Management to monitor the remaining VERA-VSIP activities and determine the value of VERA-VSIP as a workforce tool.</p> <p>In response to the draft report, OARM agreed with the recommendations and provided corrective actions and</p>

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
	<p>Progress Can Show Value of Restructuring</p> <p>Report #17-P-0140, March 23, 2017</p>	<p>certain targeted positions. This helped the agency accomplish certain restructuring goals, including reducing the size of program and regional offices, reducing the number of highly graded positions, and eliminating surplus positions. Although progress has been made in filling positions designated for restructuring under VERA-VSIP, not all workforce restructuring goals had been achieved at the time we concluded our review. Two of five EPA organizations we reviewed reported that all the VERA-VSIP-vacated positions planned for restructuring had been filled. Overall, approximately 80 percent of the positions (57 of 73) in our sample targeted for restructuring had been filled. Other VERA-VSIP goals—such as increasing the number of staff per supervisor and obtaining staff with new skill sets—were also not complete at the time we concluded our review. Further, there are limitations in determining whether goals for increasing the staff-per-supervisor ratio and changing organizational structure were met, because some EPA organizations did not specify a metric for their goals or an identifiable end point for restructuring. Specific metrics were not required by OPM. The EPA complied with OPM’s reporting requirements during and immediately after the completion of the early-outs and buyouts. In</p>		<p>completion dates. OIG and OARM representatives met to discuss the recommendations and agency response. Recommendations 1 and 2 are resolved and closed. We also received separate comments from Region 1, which we incorporated into the report as appropriate. Prior to issuing the final report we received supplemental comments and information from OARM and OW, which were incorporated into the report as appropriate.</p>

Org (GAO/ OIG)	Report Name (Number)	Finding Type (Organization, Duplication, Efficiency)	Applicable Office or Region and Program	Finding
		<p>addition, the agency developed “hiring templates,” which were designed to track the status of positions vacated through the buyouts, so that positions targeted for elimination were not refilled and positions targeted for restructuring were filled using different position descriptions. However, the agency did not have a system to monitor its progress in achieving all of the remaining VERA-VSIP goals. As a result, the agency could not assess the overall impact, effectiveness and value of VERA-VSIP as a workforce restructuring tool.</p>		